

WHY THE EROSION  
OF  
FREEDOM IN HISTORY?

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## PREFACE

Two preface comments may be in order concerning this essay:

First: that the author wishes to acknowledge the writings of Ludwig von Mises for their invaluable assistance in the preparation of this essay. The writings of Friedrich A. von Hayek, Frederic Bastiat, Eugen von Bohm-Bawerk, Murray N. Rothbard, and Hans F. Sennholz should also be acknowledged.

Second: a comment about the footnoting of this paper. The reader will see that most of the footnotes are referent to the writings of Mises. It must be said that Mises provides by far the most analytical, thorough explanation of the material discussed in the essay. Further, that the purpose of the footnoting was not to provide a comprehensive list of related authors on the subject, nor was it to add validity to the content therein by citing a long list of authoritative authors. Rather, it was to provide the reader with the clearest, most thorough, most consistent explanatory source for further study of the ideas discussed in this essay.

The main objective of praxeology and economics is to substitute correct ideologies for the contradictory tenets of popular eclecticism. There is no other means of preventing social disintegration and of safeguarding the steady improvement of human conditions than those provided by reason.

Ludwig von Mises,  
Human Action, p. 185.

### Freedom - Statism and History

All ideas concerning man and his relation to other men, for the purpose of study, may be arbitrarily grouped into two categories: those ideas which advocate freedom as the most beneficial state of society; and those ideas which advocate control and planning as the most appropriate formula for society. History can be studied relative to the influence, struggle, and result of these two opposing ideologies. There would be little argument among historians that statism, not freedom, has been the predominant structure of past civilizations. History has produced only brief interludes of what can be considered liberty and freedom in man's past civilizations. Almost universally, historical experience seems to indicate that free societies have always deteriorated, to be replaced by ideas and concrete institutions (government) which advocate control and planning of men's actions. Even history's most recent example, the United States, which began its history as a nation in a comparative state of liberty, (its major ideology being one of limited government and freedom of action) has been constantly and ever-increasingly employing socialistic measures in government action, and socialistic ideology increasingly pervades "public thought."<sup>1</sup>

The question may be asked, then, why this erosion of freedom and predominance of statist ideology in past history? Why has not liberty gained acceptance in the majority of individual minds in past civilizations? Why have free societies been the exception and not the rule in the majority of past cultures? Why have even the few comparatively free societies in history yielded to the statist ideology, eventually to be replaced by some form of control-oriented society? In the final analysis, then, why have the ideas of freedom and liberty not had the intellectual power to stand the test of time, thus being able to resist successfully the teachings of opposing ideologies and philosophies?

### Reason

The only tenable method to answer the questions concerning man and society is through discursive reasoning. All other methods are but subjective, arbitrary<sup>2</sup> notions and valuations. It is also imperative to emphasize that all

<sup>1</sup> The fallacy of referring to "public" or "popular" opinion is understood by the author, but it need not be discussed here.

<sup>2</sup> To understand the word arbitrary, the following definitions are given: absoluteness, intuitive, discretionary, pre-conceived, ultimate given, (Mises) abstractness, selected at random and without reason (Webster's Seventh New Collegiate Dictionary).

theory and ideology dealing with man must analyze action of individuals aiming at ends, and the suitability of means to attain those ends.<sup>3</sup> Thus, one does not say that an action or ideology is "bad" or "morally wrong," only that such action or ideology, from the point of view of those individuals advocating them, is incapable of producing the end or result sought after.<sup>4</sup> Arguing about goals or ends is arbitrary, but correct means to attain those ends can only be solved through (praxeological)<sup>5</sup> reason.

### Emotion and Arbitrary Judgment

By far, most of man's concepts and ideologies have been based on individual emotion and on individual arbitrary value judgments, rather than on praxeological reasoning. However, this does not make these ideas capable of determining the means suitable for the attainment of ends aimed at (whatever the ends may be.) Furthermore, such ideas based on arbitrary values, and not reason, are subject to "popular" emotions, superstitions, values, and ideas; themselves based on arbitrary postulates and assumptions.

There is no guarantee that in such a milieu of varying theorems and ideas (derived from arbitrary valuation) that any truly correct concepts may arise; nor a guarantee that any correct principles, which are supported by arbitrary postulates, will gain acceptance over incorrect principles, which are also supported by arbitrary assumptions. Thus, even essentially correct ideas, if founded on arbitrary postulates, contain no more fundamental validity than incorrect ideas because both correct and incorrect ideas are supported by arbitrary, absolute assumptions, which are "ultimate givens"<sup>6</sup> not subject to analysis by discursive reasoning.

The importance of all this is that an attempt to distinguish valid from invalid ideas must always lead to an examination of the basics supporting these ideas, which then becomes insoluble if the basics themselves are arbitrary valuations: the decision as to which ideas are valid is then determined according to the arbitrary beliefs of those individuals examining the ideas. Validity determined in this manner is but a guessing game, lacking the fundamental discursive logic necessary to distinguish correctness from fallacy.

Only ideas and theories which are derived and supported through consistent praxeological reason have any real chance of surviving the myriad of differing ideas which have arisen and will arise from the minds of men.<sup>7</sup>

<sup>3</sup> Ludwig von Mises, Human Action (Chicago, Illinois: Henry Regnery Company, 1963) pp. 92 - 94.

<sup>4</sup> Ibid., p. 883.

<sup>5</sup> Praxeology: the general theory of human action

<sup>6</sup> Mises, Human Action, pp. 17-19, 25, 49-50, 95.

<sup>7</sup> See: The Ultimate Foundation of Economic Science, Mises, (Princeton, N. J.: Van Nostrand, 1962.)

### Libertarian Concepts

The major flaw in most libertarian thinking is that it has its origin in certain arbitrary concepts of justice, basic rights, and limited government. These concepts are lacking the praxeological logic concerning the suitability of means to attain ends aimed at by individuals.

Many libertarians failed to realize that there is no more correctness in their arbitrary concept of man's right to life than in the arbitrary concept of the fairness for the fruits of production to be evenly divided up among all people. Nor is there any more fundamental correctness to the arbitrary assumption that the purpose of government is to uphold justice (which is also an arbitrary concept) than the arbitrary idea that the purpose of government is to assume the responsibility for the welfare (welfare is also arbitrary) of its citizens.

Admittedly, the proponents of liberty and statism will attempt to show the validity of their assumptions over that of opposing philosophies. However, as Mises points out,<sup>8</sup> such arbitrary assumptions and goals (ends) are "ultimate givens" which cannot be proved to be correct or incorrect. Reason can only show that certain means will produce certain ends or that certain means are suitable or contrary for the attainment of certain ends. It cannot determine validity of ends and absolutes.<sup>9</sup>

Mises has shown that historical experience cannot prove or disprove any concept or theorem.<sup>10</sup> Thus, attempts to prove that man has a natural right to life, liberty, and property by asserting that all men (even murderers and criminals) have expressed a desire to protect their lives, their liberty, and their property does not prove or disprove this idea. Even if we assumed that these rights were valid, we still cannot prove that it is the correct function of government to uphold these rights (justice). In the same manner, one cannot disprove the concept that government should regulate the business transactions of its citizens by resorting to historical experience or pre-conceived assumptions.

One of the great contributions of Mises<sup>11</sup> is that he was able to completely disprove the socialist theory (not through historical analysis or arbitrary assumption) by resorting to the praxeological reasoning of means suitable for the attainment of ends aimed at by acting man: that socialism is incapable of providing the means for the attainment of its ends (goals of socialist planners) because it lacks any true means of calculation with which to judge the rationale of its actions. In fact, in Mises' masterpiece, Human Action, it is never said that government intervention is "bad" or "wrong", only that such intervention in the unhampered market will not produce the results intended by the government

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<sup>8</sup> Ibid., pp. 17-19, 25, 49-50, 95.

<sup>9</sup> Ibid., pp. 17-19, 21, 25, 28, 49-50, 95.

<sup>10</sup> Ibid., pp. 51, 47-50.

<sup>11</sup> Ludwig von Mises, Socialism (New Haven, Conn: Yale University Press, 1922 (1957), entire book.

officials; but rather will produce results which even the government officials would consider undesirable.<sup>12</sup> (Thus, government intervention in the market economy is not a correct means for the attainment of the goals of the government officials.)

Two comments may be in order at this point. First, it is not the objective of such a line of discursive reasoning to discredit the libertarian ideologies, only to state that these ideologies cannot ultimately be proved correct or incorrect if originated from arbitrary assumptions and valuations. These philosophies may be entirely consistent and logical within the initial framework of the arbitrary postulates. As an example, if one assumes the natural right of man to life, liberty, and property; then a completely logical line of thought may be developed relative to the sources of government authority. However, proponents of this line of reasoning are at a loss to show its correctness to other individuals whose arbitrary valuations vary from the concept of man's basic rights. Certain individuals may believe that there are "higher" goals than the protection of an arbitrary belief of man's basic rights. Furthermore, neither of these opposing postulates can ultimately be shown to be correct or fallacious. In less formal terms, it could be said that theorems deduced from arbitrary assumptions, even if entirely consistent within this framework, are less defensible than theorems based on consistent praxeological reasoning.

Second, it must be realized that even consistent praxeological reasoning does not necessarily guarantee formulation of the ultimate or absolute truths of the universe. Man can only know what reason has thus far indicated to him about the physiological workings of the universe and about the workings of human thought and action. Only further understanding concerning the physical mechanics of the universe and further consistent reason concerning human action can increase man's knowledge of the absolute truths; in fact, man does not actually know whether there even exists any ultimate or absolute truths governing the universe. As Mises states in Human Action:

Reason is man's particular and characteristic feature. There is no need for praxeology to raise the question whether reason is a suitable tool for the cognition of ultimate or absolute truth. It deals with reason only as far as it enables man to act. (p. 177)

What is needed to determine correct ideology, concerning the individual and society, is to reconstruct the social evolution of man; and step by step, through praxeological reasoning, analyze the goals or ends of individuals and the suitability of ideas, actions, and concrete institutions to produce the desired ends of those individuals.

#### Reason and Social Evolution

Any attempt to analyze the social evolution of man must be extremely cautious, for such a discussion implies cognition of the actual beginnings or evolution of man which science, at this time, is unable to answer. However, this type of anthropological (prehistoric) data is not needed. All that is required is to elucidate those factors which will result in man's association with other men, thus producing the various societal structures evidenced throughout recorded history.

<sup>12</sup> Mises, Human Action, p. 883.

A quotation from Mises provides clarification.

Neither history nor ethnology nor any other branch of knowledge can provide a description of the evolution which has led from the packs and flocks of mankind's nonhuman ancestors to the primitive, yet already highly differentiated, societal groups about which information is provided in excavations, in most ancient documents of history, and in the reports of explorers and travelers who have met savage tribes. The task with which science is faced in respect of the origins of society can only consist in the demonstration of those factors which can and must result in association and its progressive intensification. Praxeology solves the problem. If and as far as labor under the division of labor is more productive than isolated labor, and if and as far as man is able to realize this fact, human action itself tends toward cooperation and association; man becomes a social being not in sacrificing his own concerns for the sake of a mythical Moloch, society, but in aiming at an improvement in his own welfare....Thus we are in a position to comprehend the course of social evolution.<sup>13</sup>

#### Formation of Society Under Reason

Man, through his reason,<sup>14</sup> reached the cognition that cooperation under the social division of labor is a more efficient means of acting than is isolated action of individuals. This cognition, from the point of view of praxeology, is the "fundamental principle of human existence and social evolution."<sup>15</sup>

Thus, man reasoned that cooperation and division of labor is a better means for the attainment of his ends than is autarkic action in a world of biological competition.<sup>16</sup> Men began to cooperate rather than compete for the scarce natural resources. (This cooperation under the division of labor has been called the market society, the market economy, or such terms as the free or unhampered market.) Most importantly, reason showed that the (unrestricted) market society is the fundamental means for the attainment of individual ends whatever those ends might be.<sup>17</sup>

#### Anti-Societal Means

There will always be individuals, regardless of what reason has indicated, whose actions will have the effect of breaking down and destroying societal cooperation

<sup>13</sup> Ibid., pp. 160-161.

<sup>14</sup> Ibid., p. 176.

<sup>15</sup> Ibid., pp. 883.

<sup>16</sup> Ibid., pp. 176, 883.

<sup>17</sup> Ibid., See Human Action for a complete treatise relative to this subject. Examples: 176. 883.

and the division of labor. Their means which they have selected for their ends will antagonize cooperation and division of labor rather than harmonize with it. As an example, a person may decide that a "good" means to get enough food and other material possessions would be to take them from someone else who produced them through cooperation under division of labor with other individuals. Thus, this person steals or even kills as a means of attaining his ends. Or other individuals may believe that they can attain their ends (again for food and other material luxuries) by controlling and forcing individuals to act and produce as they desire. Such means (stealing, killing, and control) weaken cooperation and the division of labor and, if carried to their ultimate logical consequences, would completely destroy the market society.

The significance of this is that these anti-societal actions are inappropriate for the attainment of the ends of those individuals advocating them because they would ultimately destroy the fundamental means upon which the attainment of those very ends are dependent. In other words, if theft were carried to its ultimate consequence then there would no longer be any cooperation and division of labor from which to steal; or if control and force were also carried to their ultimate results, then there would no longer be cooperation under division of labor to be controlled. In both cases, man would be thrust into a biologically competitive world in which all men are each others enemies. (It may be mentioned here that those individuals who suggest these anti-societal means do not understand the real consequences of their action, otherwise they would not recommend this course of action.)

Thus, means which tend to break up the market society (private action such as stealing, killing, or looting, or public action such as government intervention, or planning) are inappropriate for the attainment of their ends because they would ultimately destroy the very foundation upon which the attainment of those ends is dependent.

### Development of Law

It is necessary for reason to elucidate exactly what action (means) would tend to break up the division of labor. Discussing this question by asserting that it is "wrong" to control individuals or that man has a natural right to life, liberty, and property (thus, it is "wrong" to control, steal, or kill) provides no answer because these are arbitrary valuations and assumptions, which consequently have no place in consistent praxeological reasoning, and cannot prove the correctness of any idea or theory.

Once such inappropriate actions have been elucidated, again, only reason can show the correct means for the prevention of this antisocietal action.<sup>18</sup> It must be emphasized again that such action is not restricted because it is morally or arbitrarily wrong, but because this action would ultimately destroy the fundamental means for attainment of any ends whatever they may be....Even the Buddhist or hermit could better serve his ends in a world of cooperation than in a world of constant autarkic competition for survival, (or for that matter in a world of confiscation, intervention, and domination).

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<sup>18</sup> Mises, Human Action, pp. 184-187.

### Development of Government

In order to restrict action which would be destructive to cooperation and the division of labor, some sort of "apparatus of compulsion and coercion"<sup>19</sup> would need to be devised. Its sole function would be to prevent means (action) which would disrupt the (free) market society. This social apparatus of compulsion and coercion is commonly termed "government."

It is imperative to realize that the function or purpose of government is not defined by arbitrary valuations concerning: what government "ought" to do; what government "shouldn't" do; what is for the "good" of society; for the "blissfulness" of freedom; or for the "utopia" of government planning.<sup>20</sup> All conceivable government action must be analyzed according to the suitability of that action to attain the goals desired. There is no other tenable criterion to judge government action.

### Limitation of Government

Limitation of government would refer to any action or power of government that would have the effect of hindering, restricting, planning, or controlling the cooperation under the division of labor (market economy), for such government endeavor would ultimately destroy the fundamental means for the attainment of its ends, which consequently would be incapable of producing the results for which that government action was intended in the first place.

The important conclusion from this development is that the only correct function of government action (power) is to restrict individual action which would break up societal cooperation and division of labor; and that any government action which itself would restrict or intervene in the market society is unsuitable for the attainment of its goals and therefore is incorrect government action or power. Only reason can elucidate those actions of individuals and of government which are contrary to cooperation under the division of labor.

Thus, government action is not limited by resorting to preconceived notions about the inherent evil of power and control: government control is not necessarily "evil," but it may be unfit to achieve the ends aimed at by government officials.

Lastly, discussion along these lines (suitability of means to attain ends) is common to all theories and ideas concerning man, society, and utopia, because all such philosophies are directed toward attaining some end or ends, and consequently, reason capable of determining the correct means for attaining those ends is of use to all ideologies.

### Misconceptions of Freedom

Man's notions of the state of freedom, almost without exception, have been defined according to his own "set" of absolute or arbitrary postulates. Ideas referring to limitation or absence of governmental control, and ideas of the complete freedom of autarkic man in the state of nature pervade most of this thought concerning freedom.

<sup>19</sup> Ibid., p. 272.

<sup>20</sup> Ibid., pp. 719-724.

From the point of view of praxeology, the greater productivity of cooperation under the division of labor is the fundamental process of social evolution. Conceptions of liberty and freedom referring to absolute values (assume that power is always evil and therefore must be strictly limited) are vague and meaningless to philosophies derived from a different set of absolutes in which there is a belief that control and power are "good" or at least necessary evils. Conceptions of freedom must be originated from reason, not from absolutes.

Another arbitrary notion of freedom is seen in various ideas espousing the blissfulness of man in the pure state of nature.<sup>21</sup> These ideas neglect the reality that man in such a state was extremely poor and insecure, constantly struggling to remain alive.<sup>22</sup> Ideas referring to natural man in nature could be more accurately termed unavoidable mortal competition or biological warfare than freedom. Man in his natural state was not free, rather, he was compelled by his desire for survival to continually slave and struggle for the bare necessities of existence.<sup>23</sup>

The only consistent praxeological definition of freedom is the cooperation of individuals under the social division of labor. Restriction of that cooperative state (by government) ultimately destroys the unhampered market and thus freedom itself.

Limitation of government is necessary to preserve freedom, but it is not an end in itself which can be correctly termed freedom.

However, a comment is in order concerning one definition of freedom given by R. A. Humphreys: "The very definition of liberty is freedom from arbitrary rule."<sup>24</sup> The words "...freedom from arbitrary rule" can be related to the praxeological assertion that government action must be analyzed according to its ability to attain the goals aimed at, and not action derived from arbitrary notions and valuations. One may conclude that rule based on arbitrary ideologies, philosophies, or theorems, and not on suitability of means to attain ends aimed at, is the very essence of the erosion of freedom in history.

#### Observations on the Erosion of Freedom in the United States

The erosion of freedom in the United States deserves a thorough analytical study. However, a few comments here will be sufficient as an introduction to the subject.

The fundamental flaw in ideology of the writers of the Constitution was that arbitrary postulates, not praxeological reason, was the basis of their conception of liberty.<sup>25</sup> It must be emphasized again that arbitrary assumptions and absolutes

<sup>21</sup> Mises, Socialism, p. 568.

<sup>22</sup> Mises, Human Action, pp. 602, 667.

<sup>23</sup> Ibid., pp. 273, 279-287.

<sup>24</sup> R. A. Humphreys, "The Rule of Law and the American Revolution" Law Quarterly Review, Vo. LIII, (1937), p. 90.

<sup>25</sup> See the Declaration of Independence (opening remarks). See also: Selections From The Federalist, Hamilton, Madison, Jay; edited by Henry S. Commager. (Appleton-Century-Crofts, New York, 1949) i.e. p. 88: "Justice is the end of government."

cannot prove the correctness of the libertarian philosophy; but they could and did wield a tremendous emotional-subjective appeal to a people just recently freed from the comparatively "dictatorial" rule of the British empire.

Thus, freedom was the dominant philosophy in America at the turn of the century (eighteenth). However, as time passed on and as opposing ideology (reform) arose, the emotional-subjective basis of American freedom grew weaker, and thus weaker the concept of freedom itself.

As has been defined, the only consistent praxeological concept of freedom is co-operation under the social division of labor (the free market). Consequently, the actual erosion of freedom has been through intervention and restriction of the unhampered market. From the very beginning of the United States, there never was the belief that freedom is seated in the free market; only the belief that as long as government is limited through a constitution, freedom is safe. Throughout the so-called "laissez faire" policy of the Federal government during the nineteenth century, tariffs and other restrictive measures were resorted to constantly: thus, there never has been a truly free or unhampered market in the United States.

One last observation on the slavery civil-rights problem in America's history. The writers of the Constitution, in an effort to obtain their immediate goal of ratification, compromised<sup>26</sup> on the slavery issue, but in doing so they inadvertently undermined their ultimate end (a free, "happy," productive, unified America); for they failed to realize that the ultimate consequences of the initial compromise would produce results which even they themselves would consider far more destructive than the initial benefits of the Constitution's ratification.

### Summation

For man to succeed in the effort to attain his goals, his action must be founded on correct ideology and theorem, which itself is formulated from the basis of the suitability of means to attain ends aimed at by acting man.

History is a ceaseless record of innumerable inter-connected human action all of which is aimed at ends. The ideology of freedom and liberty is only one of many differing conceptions of man and society. To succeed, it must be derived from reason, not from absolutes or emotion; for only reason is capable of withstanding the test of time and the continuous confrontation of opposing opinion and ideology.

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<sup>26</sup> Mises, Human Action, pp. 184-185.